

EXHIBIT 37

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In accordance with a protective order, the enclosure(s) shall be treated as confidential and shall not be shown to any person other than those persons designated in paragraph 8.2 of the paragraph order.

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF WYOMING

CUSTODIA BANK, INC., :

Plaintiff, :

vs. : Case No.:

FEDERAL RESERVE BOARD OF : 1:22-cv-00125-SWS

GOVERNORS, :

AND :

FEDERAL RESERVE BANK OF :

KANSAS CITY, :

Defendants. :

"CONFIDENTIAL" DEPOSITION OF KATIE S. COX

Volume 1 of 2

DATE: December 19, 2023

TIME: 8:38 a.m. to 4:15 p.m.

LOCATION: King & Spalding, LLP

1700 Pennsylvania Ave, NW

Suite 900

Washington, DC 20006

REPORTED BY: Felicia A. Newland, CSR

Veritext Legal Solutions

1250 Eye Street, N.W., Suite 350

Washington, D.C. 20005

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1 analyst is in the mergers and acquisitions section
2 at -- at the Board, that person is responsible for
3 putting together the briefing document and the
4 recommendation memo.

5 Q And this is for a membership
6 application, let's say?

7 A Either. Whatever. It's a
8 membership. And it will include whatever proposals
9 are at hand --

10 Q I see.

11 A -- so they will be lumped together
12 and -- and reviewed together.

13 Q Okay.

14 A They're not going to be on their own
15 separate tracks, they're going to be on the same
16 track. And -- but what my job is, or what the
17 analyst's job is, is to list each statutory factor.
18 The statutory factors, it could be seven, for like
19 a merger or a holding company formation, we divvy
20 out those statutory factors.

21 Q So what are the statutory factors for
22 a master account?

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1 A The only one is that you have to be
2 legally eligible for a master account.

3 Q Okay. So were you aware of any sort
4 of risk assessments that the reserve banks were
5 conducting on master account requests?

6 A They -- no, because those weren't
7 required.

8 Q They weren't required, but could they
9 be done? Were you aware?

10 A They could be done, but what my job
11 was, as a gatekeeper, there's only one gate for a
12 master account; and that is, is it a legally
13 eligible depository institution.

14 Q I'm sorry, when you say gate, what do
15 you mean?

16 A So gates are the statutory factors --

17 Q Okay.

18 A -- things you -- that congress
19 stipulates that are the requirements or the legal
20 requirements for the Federal Reserve to look at.
21 That's what we're allowed to look at. And so each
22 type of proposal -- like I said, there's like 40 of

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1 them come through.

2 Each one has its own statutory -- or
3 set of one -- it might be one in the case of a
4 master account, or it could be multiple statutory
5 factors, like in the case of a bank merger and
6 acquisition. But that's all we're -- I guess
7 congress has given the power to the Fed to look at.

8 Q I see. So let me tease this out a
9 little bit for a master account just because, you
10 know, there's a lot of moving parts here --

11 A Uh-huh.

12 Q -- and you talked about a lot of
13 different types of applications.

14 So for a master account, your
15 testimony is the Board would look at -- would
16 determine legal eligibility? That's the statutory
17 factor you're referring to?

18 A Uh-huh.

19 Q Great. Okay.

20 And what would the -- in your
21 experience, what would the reserve bank's role be
22 on master account requests?

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1 an officer and an official of a bank. That's the
2 only one that I can think of that the reserve banks
3 have the authority to deny.

4 Q Do the reserve banks have authority
5 to deny master account requests?

6 MS. WEINBERGER: Object to form.

7 THE WITNESS: Well, they -- yes, they
8 have the -- they do have the authority to do that.

9 BY MS. CARLETTA:

10 Q And they have the authority to grant
11 them?

12 A And the authority to grant them, yes.

13 Q I think --

14 MS. CARLETTA: How long have we been
15 going? Let's take a break.

16 (Recess from 10:52 a.m. to 11:08 a.m.)

17 BY MS. CARLETTA:

18 Q So I want to talk a little bit about
19 Custodia's master account request. Did you review
20 the request before it was submitted?

21 A No. I think it's just -- no, I
22 didn't.

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1 Q Did you advise Custodia about how the
2 master account review process would work?

3 A No, I didn't.

4 Q So you didn't tell them either way
5 what would happen once they submitted their master
6 account request?

7 A No, I didn't.

8 Q Were you familiar with any policies
9 or procedures that the reserve banks had put out
10 concerning master account request procedures?

11 A No, not in -- no, I can't say I knew
12 anything specifically. Maybe some things in
13 general, but . . .

14 Q Were you aware of, for example, the
15 Federal Reserve Bank of New York's handbook on
16 master account requests?

17 A No. I knew about Business Operating
18 Circular No. 1.

19 Q Okay. Had you reviewed that before?

20 A No, I had not.

21 Q So you were aware that it existed?

22 A Yeah, I was aware that the operating

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1 circular existed.

2 Q Okay. But you hadn't reviewed it?

3 A No.

4 Q And did Custodia seek your advice on
5 the master account process?

6 A Not really. I mean, they knew I
7 wasn't -- they knew they were hiring me more for
8 understanding the whole Federal Reserve System, how
9 it -- how it -- how the Federal Reserve System
10 works in relationship to proposals in general.

11 Q Okay. Were you aware that FRBKC had
12 policies and procedures concerning evaluation of
13 master account requests?

14 A No, I wasn't --

15 Q Okay.

16 A -- aware of that.

17 Q Is it your understanding that the
18 review process for a master account may be
19 different than the review process for a membership?

20 A I know what the review process is for
21 membership, and that's based on the statutory
22 factors, but -- and so that process for a master

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1 account should be based on statutory factors, but
2 other than that --

3 Q You don't know?

4 MS. WEINBERGER: Object to form.

5 THE WITNESS: Well, I know there's a
6 difference in the statutory factors, but I don't
7 know how else to answer that.

8 BY MS. CARLETTA:

9 Q Okay. Did you meet with the Federal
10 Reserve Bank in 2020 about Custodia's master
11 account request?

12 A So there may have been some
13 conference calls with the -- with the reserve bank.

14 Q But would you have been a part of
15 those in 2020?

16 MS. WEINBERGER: To clarify, you're
17 talking about in the year?

18 BY MS. CARLETTA:

19 Q In the year 2020, would you have been
20 a part of any calls with the Reserve Bank of Kansas
21 City and Custodia concerning Custodia's master
22 account request?

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF WYOMING**

CUSTODIA BANK, INC.,)

Plaintiff,)

v.)

Civil Number: 22-cv-00125-SWS

FEDERAL RESERVE BOARD OF)
GOVERNORS and FEDERAL RESERVE)
BANK OF KANSAS CITY,)

Defendants.)

**ERRATA SHEET FOR THE TRANSCRIPTS OF THE DEPOSITIONS OF
KATIE COX**

I, Katie Cox, have read the transcripts of my depositions taken on December 19, 2023 (“Vol. 1”) and December 20, 2023 (“Vol. 2”) in the above captioned matter and make the following corrections:

Vol.	Page	Line	Current Transcript	Change	Reason
1	71	10	Council	Counsel	Transcription error
1	84	9–10	Division of Consumer Community Affairs	Division of Consumer and Community Affairs	Transcription error
1	87	18	Allison Crowe	Alison Thro	Transcription error
1	95	16	general council	general counsel	Transcription error
1	97	1	Ben Mickey	Ben McGee	Transcription error
1	110	2	Ben Bader	Ben Bauder	Transcription error
1	182	6	secondment	seconded	Transcription error
1	183	10	secondment	seconded	Transcription error
1	248	14	sure	insured	Transcription error

Vol.	Page	Line	Current Transcript	Change	Reason
1	343	14	Custodia on products and services that was	Custodia on products and services that it was	Transcription error
2	21	11	And A lot of things	And a lot of things	Transcription error
2	38	9	So I reference	So I referenced	Transcription error
2	58	8	narrowed it down farther	narrowed it down further	Transcription error
2	87	8	Territory bank of Americas	Territorial Bank of American Samoa	Clarification
2	144	8	American Bank of Samoa	Territorial Bank of American Samoa	Clarification
2	145	13, 17	American Samoa Bank	Territorial Bank of American Samoa	Clarification
2	164	7	might sent it out	might send it out	Transcription error
2	176	17–18	Office of the Comptroller, the currency	Office of the Comptroller of the Currency	Transcription error
2	197	9	there's two ways to get a master account was to buy	there's two ways to get a master account – to buy	Transcription error
2	197	14	And we had went in with the FDIC in	And we went in with the FDIC and	Transcription error
2	201	15	hand version	handbook version	Transcription error
2	211	17	Florida charter	Florida chartered	Transcription error

Dated: January 8, 2024

/s/ Katie Cox
Katie Cox